

# Trade Invest Monthly

## Hawaii's International Business Network

### State of Hawaii

#### Department of Business, Economic Development & Tourism

To receive the Trade Invest Monthly by Email, please send your request to: [tradeinvest@dbedt.hawaii.gov](mailto:tradeinvest@dbedt.hawaii.gov)

## Hawaii International Notices

### 3<sup>rd</sup> Annual Hawaii Air Cargo Symposium

The third annual Hawaii International Air Cargo Symposium will be held on October 17-18, 2000, Sheraton Waikiki Hotel, Honolulu. This is a reminder to all companies that are interested in the latest information, technology and news on air cargo and how it affects your shipments of products out of state.

Hosted by DBEDT, Airports Division of the State Department of Transportation, State Department of Agriculture, Air Cargo Association of Hawaii, and the Airlines Committee of Hawaii.

The focus of this year's symposium, "Air Cargo Logistics in the 21<sup>st</sup> Century: From Local to Global", covers:

- New opportunities for air cargo in a global market - the impact on airport infrastructure;
- E-commerce in air cargo: "changing the way to do business";
- How air cargo can work for you;
- New government shipping regulations;
- How do Hawaii's exports measure up?; and
- Prevent cargo loss & damage: insurance, proper packaging and procedures.

Symposium organizers are urging early registration and exhibit space reservation.

COST: Early registration fee: \$150.00 (by 9/15/00)  
Late registration fee: \$200.00 (after 9/15/00)

For more information on registration and exhibit space information contact: UH Conference Center, Tel: (808) 956-8204; Fax: (808) 956-3364.

### WUSATA Branded Application for Fiscal Year 2000-2001

The Western U.S. Agricultural Trade Association (WUSATA) is now accepting applications for the 2000-2001 Market Access Program (MAP) for brand-name products. This program assists U.S. producers of high-value food and agricultural products by providing matching funds for export promotional activities. Applications will be accepted anytime prior to September 1, 2001.

The Branded Program is administered by four State Regional Trade Groups (SRTGs), one of which is WUSATA (Hawaii's Department of Agriculture participates). The USDA's Foreign Agricultural Service provides the funding under MAP. The Branded Program is not a loan or a grant program. Participating companies receive a 50% reimbursement for eligible advertising, promotional and trade show expenses. The branded program marketing year is October 1, 2000 to September 30, 2001.

WUSATA is one of four non-profit international trade development organizations called State Regional Trade Groups. The activities of the Association are directed by 13 state Departments of Agriculture, and WUSATA combines federal, state, and industry funds and resources to carry out programs that will increase exports of Western U.S. high valued food and agricultural products. WUSATA participates in activities such as international trade exhibitions, overseas trade missions and export seminars, in-country research, and point-of-sale promotions in foreign food chains and restaurants.

For more information about the branded program, contact: Bob Gerber of the Hawaii Department of Agriculture at (808) 973-9592; or Chris Rose or Kathy Gerchak, at WUSATA, at (360)-693-3373, Email: [chris@wusata.org](mailto:chris@wusata.org) or [kathy@wusata.org](mailto:kathy@wusata.org). Additional information and applications can be obtained through the WUSATA website at [www.wusata.org](http://www.wusata.org).

## Local Area Notices

### Honolulu Economic Development Summit

Hawaii Chamber of Commerce, U.S. Housing and Urban Development (HUD), U.S. Small Business Administration, DBEDT, County Economic Development Boards and the City and County of Honolulu's Office of Economic Development will hold an Economic Development Summit to inform the private sector and business community about programs and funding available to businesses.

This Federal, State, and Counties initiative will bring together Industry and Government leaders responsible for Economic Development. By bringing together all government agencies and economic development professionals from every level, the summit will allow the business community easier access to resources that can support their businesses.

Date: September 14, 2000  
Location: Hilton Hawaiian Village  
Lunch: (optional) 12 noon Cost: \$25.00  
Payable to: Hilton Hawaiian Village  
Meetings: 1:00 p.m. to 5 p.m.

For further information contact: Mr. Manny Menendez, Exec. Director, Mayor's Office of Economic Development, City and County of Honolulu, Tel: (808) 547-7878

Email: [mmenendez@co.honolulu.hi.us](mailto:mmenendez@co.honolulu.hi.us)

### Upcoming Small Business Development Center Seminars

The Hawaii Small Business Development Center Network (SBDC), a partnership between the University of Hawaii at Hilo and the U.S. Small Business Administration, will be con-

ducting the following seminars on setting up a business in Hawaii:

#### Small Business in Hawaii: Getting Started

Wednesday, September 20, 2000

9:00 a.m. – 12:00 noon

Presenter: Laura Noda, SBDC Center Director for Oahu

Topics: Entrepreneurship, the four ingredients for business success, the steps involved in starting your own business, and sources of capital.

Cost: \$20.00

#### The Right Legal Structure for Your Business

Thursday, September 21, 2000

10:00 a.m. – 12:00 noon

Presenter: Russell Yamada, C.P.A., J.D.

Topics: Different types of business structures (sole proprietorship, partnership, S Corporation), tax advantages and liability implications of each.

Cost: \$30.00

Please contact Winona Chin at Tel: (808) 522-8131 for more information.

## Worldwide Market Reports

*Due to the large number of requests for reports, we have made the request process easier to better serve you. Complete the request form at the end of the newsletter and Fax to (808) 587-3388, or send an Email message to: tradeinvest@dbedt.hawaii.gov*

### **Philippines – Duty Exemption for Fishing Industry (5 pages)**

The U.S. Department of Commerce reports that the Philippines government signing of Executive Order 209, on February 8, 2000, provides incentives for the Philippine commercial fishing industry and may provide export opportunities to Hawaii businesses in the fishing equipment and ship building sectors.

Under Section 35 of the Fisheries Code (RA 8550), operators of commercial fishing vessels of Philippine registry may import certain items duty and tax free for a five-year period. The section states, "Commercial fishing vessel operators of Philippine registry shall enjoy a limited period of tax and duty exemptions on the importation of fishing vessels not more than five year old, equipment and paraphernalia. They also shall be entitled to duty and tax rebates on fuel consumption for commercial fisheries operations."

As for fishing equipment, many of the duty rates are already low, so the significant paperwork involved in claiming the duty-free incentive may not be worthwhile. Please check with your Philippine importer for more details.

For a copy of the report, complete the request form and fax to (808) 587-3388.

### **Taiwan – Service Markets of Opportunity (16 pages)**

With Taiwan's economic growth in 2000 projected to hit a three-year high of 6.5%, the U.S. & Foreign Commercial Service reports that with a private spending and major government projects, the future demand for foreign services will be bright.

According to the report, the following top ten service sectors appear to offer the best opportunities for U.S. firms in Taiwan:

#### **Rank    Market Sector**

- 1 Network Services – market expanding rapidly by over 42% from 1998 to US\$535.2 million in 1999. Taiwan users have long considered the U.S. as the world leader in network services and solutions.
- 2 Computer Services – expanded by 36.1% from 1998 to US\$1,270 million in 1999. Expected annual rate of over 22% from 2000 to 2003. Areas of highest growth potential are professional services and turnkey systems.
- 3 Education / Training – about 40,000 students annually study abroad – 40-45% of students study in the U.S. In recent years, short-term language and overseas summer camps are in demand.
- 4 Travel / Tourism Services – In 1999, Taiwan citizens took more than 6.5 million overseas trips, a 10.98% increase from the previous year. The U.S. remains by far the most popular destination for those who travel outside Asia.
- 5 Insurance Services – with the rapid growth in Taiwan's per capita GDP, there is a growing demand for secured personal life and property protection. In 1999, life insurance premium income expanded 14.1% from 1998 to reach over US\$18 billion.
- 6 Telecommunications / Broadcasting Services – Taiwan's telecommunications market is presently being liberalized and services are now being licensed to private operators. Taiwan has liberalized its mobile communications, and will open the market for 3<sup>rd</sup> generation mobile communications in 2001.
- 7 Construction and Related Services – the industry continues to grow in line with the island's economy, by 6.5% in 2000.
- 8 Franchising – there are about 100 foreign franchise firms with over 3,000 retail outlets in Taiwan. The development of shopping malls in Taiwan, besides increasing franchise opportunities, will also provide business opportunities in engineering design services, architectural services, building materials, retailing, and shopping mall management.
- 9 Industrial and Hazardous Waste Treatment and Clean-up – The island's rapid industrialization has created many environmental problems – annually generating 17 million metric tons of non-hazardous waste and 950 thousand metric tons of hazardous waste. The U.S. and Japan are the two largest foreign suppliers. With leading edge technologies, U.S. firms have dominated the public sector, and the Japanese firms are doing well in the private sector with their better customer service and lower prices.
- 10 Capital / Financial Market Services – Taiwan's new government is making efforts to push towards a complete liberalization of the financial market. The stock market will be fully opened to foreign investors in January 2001.

For a copy of a report, complete the request form and fax to (808) 587-3388.

### **Japan – Retail Food Sector Update (22 pages)**

Although Japan remains the largest and single most lucrative consumer foods market for the U.S., the U.S. Department of Agriculture reports that changes in the following areas may have a large impact in the future Japanese demand for Hawaii suppliers.

In an update to the Japan Retail Food Sector report mentioned in the March 2000 issue of *Trade Invest Monthly*, the key challenges facing U.S. suppliers in Japan are as follows:

1. High quality U.S. products are matching the Japanese consumer needs due to an increasing convergence of food cultures and quality expectations. However, the supplies of U.S. products that are attractive to the Japanese consumer are insufficient to meet the Japanese market needs, and this is cre-

ating a window of opportunity for aggressive third-country competitors. Export-ready U.S. producers also have insufficient awareness of what it takes to access opportunities in Japan; and

2. Large-scale supermarket chains are streamlining distribution, eliminating intermediaries, and seeking direct overseas private label sources. Competitors are applying "efficient consumer response" systems to optimize costs and deliverable quality through long-term value chain relationships using marketing innovations such as cross-border electronic commerce, strategic alliances with freight forwarders and distribution companies, and private-label with Japanese retailers. This could potentially lock U.S. suppliers out of the market long-term, so U.S. suppliers should develop an aggressive and immediate marketing response.

In addition, the full report contains general information on:

1. Market summary – large-scale supermarkets, regional supermarket sales, Home Meal Replacements (HMR), convenience stores, demographics, healthy/natural food;
2. Market entry – cross-sector entry strategy, supermarkets, superstores, hyper-markets, convenience stores, department stores;
3. Competition; and
4. Best product prospects.

For a copy of the report, complete the request form and fax to (808) 587-3388.

### **Germany – Tourism to the U.S. (53 pages)**

The U.S. & Foreign Commercial Service reported on the impact of Germany to U.S. tourism markets.

The following are key points in the report:

- Germany is the world's largest outbound market for tourism – calculated on the number of travelers in relation to the total population. An indication of how much they travel is that in 1999, 48 million Germans made at least one holiday trip lasting five days or more. That is 75.3% of the population over 14 years old.
- The most popular destinations are Spain (14.7%), Italy (9.6%), Austria (7.4%), Greece (4%), France (3.8%), and Turkey (3.2%).
- The U.S. has a 2.2% market share, and is the most popular long-haul destination for Germans. The U.S. Department of Commerce's Office of Tourism Industries estimates that almost two million Germans will visit the U.S. The top five U.S. destinations are New York, California, Florida, Nevada, and Arizona.
- According to the Office of Tourism Industries; the activities/areas that have the best potential are: mountainous areas; historical or archeological sites; unique exotic population groups; chances to see wildlife; local crafts and festivals.

To give a snapshot as to the habits and profiles of Germans tourism, the report is broken down into the following:

1. Market highlights & best prospects – travel expenditure abroad;
2. Competitive analysis – domestic tourism, tourism to other countries;
3. End-user analysis – visitor profile and traveler characteristics, decision making; and
4. Market access – currency considerations, economic climate affecting travel abroad, travel agents.

For a copy of a report, complete the request form and fax to (808) 587-3388.

### **Taiwan – Lobster Market (5 pages)**

The U.S. Department of Agriculture recently published a market overview on the lobster market in Taiwan.

The report highlights the following:

1. Imported lobster market size in Taiwan - grew from US\$37 million in 1994 to US\$71 million in 1999. Average imports (1997-1999) from the U.S. were US\$15 million;
2. Market Share - nearly 99% of all lobsters consumed in Taiwan are imported – Australia dominates the import market with a 63% market share, followed by U.S. with a 21% market share and New Zealand with 7% market share;
3. Eating preferences - 98% of all lobsters are consumed at Taiwanese banquets, particularly outdoor wedding banquets. It is customary for the Taiwanese host to offer lobster as the main dish at a formal dinner or wedding banquet. Lobsters are sold primarily in hotels and restaurants;
4. Lobster size - Taiwanese have a preference for lobsters that weigh 500-600 grams;
5. Product advantages/industry perceptions - according to the industry sources, Australian and New Zealand lobsters are preferred for their softer meat, lower mortality rate for live lobsters, and their larger edible meat portion; and
6. U.S. market focus - lobster suppliers should focus marketing efforts on maintaining a presence in growth areas such as restaurants, hotels, and supermarkets/hypermarkets.

For a copy of the report, complete the request form and fax to (808) 587-3388.

### **Japan – Lifestyle USA Recruiting Companies for the 2001 Issue**

To increase visibility of U.S. products, services and tourism in the Japan market, the Commercial Section of the American Embassy in Tokyo teamed up with a Japanese publisher to produce *Lifestyle USA*, a high quality annual magazine targeted at Japanese business, government and media decision makers, and opinion leaders.

*Lifestyle USA* is the only publication in Japan that is officially sponsored by the American Embassy in Tokyo. It is sold to major Japanese bookstores and has grown from 10,000 issues in 1997 to 40,000 in 2000. The U.S. Embassy also distributes a large quantity of the magazine to their key Japanese contacts.

The *Lifestyle USA* Editorial Office is currently recruiting U.S. companies interested in promoting their products or services through *Lifestyle USA*. For more information contact:

Ken Shimabuku, Project Manager  
Lifestyle USA, c/o Sun Art Publishing Co., Ltd.  
2-15-30, Higashi Imazato,  
Higashi Nari-ku, Osaka 537-0011  
Tel: 81-6-6976-0600 Fax: 81-6-6976-0954  
E-mail: ken@sunart.co.jp  
Webpage: <http://www.sunart.co.jp>  
Deadline for advertisements is December 2000.

### **Coffee – Annual 2000 Reports**

The U.S. Department of Agriculture's Foreign Agriculture Service has updated its annual coffee report regarding the production, supply and demand in the following countries:

- |            |               |             |
|------------|---------------|-------------|
| ▷ Panama   | ▷ Costa Rica  | ▷ Ecuador   |
| ▷ Mexico   | ▷ Colombia    | ▷ Indonesia |
| ▷ Brazil   | ▷ Philippines | ▷ Guatemala |
| ▷ Honduras | ▷ El Salvador |             |

For a copy of the reports, complete the request form and fax to (808) 587-3388.

## Trade Shows, Conferences, & Trade Missions

January 16-18, 2001

U.S. Men's Apparel Exhibition, Tokyo, Japan. Sponsored by the U.S. Department of Commerce, Office of Textiles & Apparel. For the second year, the exhibition will be held at the U.S. Pavilion in the International Fashion Fair at the Tokyo International Exhibition Center. Last year's attendance exceeded 20,000. U.S. participants reported US\$4.6 million in immediate sales from orders received during the show and projected US\$50.4 million the next year. Exhibition fee is US\$4,500 (includes a furnished booth and a market promotion campaign). All products shown at the exhibition must be "Made-in-the USA" For more information contact Bill Dawson in Washington D.C. at Tel: (202) 482-5155.

February 21-24, 2001

Food & Hotel Indonesia, Jakarta, Indonesia. The Bali Show, which alternates with Food & Hotel Indonesia attracted 4,500 trade visitors and 220 exhibitors (75% repeat trade visitors). The U.S. Department of Agriculture is sponsoring a USA Pavilion. Also participating with official pavilions are Australia, Italy, Korea, Germany, and France. Indonesia's economic growth of 4-6% is forecast for 2000/2001. For more information, contact Marie Waters at Overseas Exhibition Services Ltd in the U.K., Tel: 44-20-7862-2000; Fax: 44-20-7862-2001; e-mail: food@montnet.com

March 4-6, 2001

SIAL Montreal, Montreal, Canada. (The first SIAL exhibition in North America). Over 850 international exhibitors and over 12,000 trade-only visitors are expected. Endorsed by the U.S. Department of Agriculture FAS Trade Show Office, this show will have a USA Pavilion. Canada is the second largest market for U.S. agricultural, fish and forestry exports (US\$9.3 billion in 1999). Best market prospects for U.S. exporters are fish & seafood, fruits & vegetables, bakery items, organic foods, bottled water & soft drinks, processed pork, breakfast cereals, sauces & condiments, ethnic foods, processed beef, snack foods, mixes, and wine & beer. For more information, contact Kelly Wheatley at IMEX Management, Inc. in North Carolina at Tel: (704) 365-0041, or e-mail: kellyw@imexmgt.com

March 28-30, 2001

Retail Industry Trade Event (RITE) 2001. Singapore. First exhibition. The event combines three shows – The International Supermarket Fast Moving Consumer Goods Exhibition & Conference (FMCG 2001), The International Retail Display, Storage and Shoplifting Equipment & Services Exhibition & Conference (ShopFit 2001), and The International Retail Technology and Security Solutions Exhibition & Conference (Retail IT 2001). Unlike the mature retail environment of the USA, Western Europe, Japan and Australia that are dominated by a relatively small group of global or national chains, Asia has a highly fragmented industry with the majority of consumers using independent or small local chains to purchase goods. For more information, contact Overseas Exhibition Services Ltd in the U.K., Tel: 44-20-7862-2106; Fax: 44-20-7862-2108; e-mail: rite@montnet.com

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### Report Request Form

Company: \_\_\_\_\_ Contact person: \_\_\_\_\_  
Address: \_\_\_\_\_ City: \_\_\_\_\_ Zipcode \_\_\_\_\_  
Telephone number: \_\_\_\_\_ Facsimile number: \_\_\_\_\_

Report(s) requested:

\_\_\_ Philippines – Duty Exemption for Fishing Industry  
\_\_\_ Japan – Retail Food Sector Update  
\_\_\_ Coffee – Annual 2000 Reports

\_\_\_ Taiwan – Lobster market  
\_\_\_ Taiwan – Service Markets of Opportunity  
\_\_\_ Germany – Tourism to the U.S.

Other: \_\_\_\_\_

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